

PROJECT NUMBER: 4022
PROJECT TITLE: International Product Development
PERIOD COVERED: November, 1988
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I. PROJECT DRAGON (PEOPLES REPUBLIC OF CHINA)

- A. Objective: Develop a "blended" KS cigarette to be a non-PM trademark owned and manufactured by CNTC. Tar targets: 17-19 mg (GCF-2 factory), and less than 15 mg (ZCF factory).
- B. Results: A Chinese delegation of 8 were entertained in Richmond November 15-18. Prototypes from the GCF-2 factory revealed the 20% off-shore inclusion blend was preferred to the 100% local blend, but it is still not satisfactory.
- C. Plans: More flavors will be prepared and shipped to each factory next month to make prototypes using two blends co-designed by C. Brumberg and the Chinese.

II. PROJECT TANG (INDONESIA)

- A. Objective: Develop subjectively and analytically identical product to convert locally manufactured MF LS from cut filler to BBS without expanded components.
- B. Results: First generation prototypes have been designed using two Leaf Department blends.
- C. Plans: Primary and Make-pack runs are scheduled in the R&D Semiworks for the first half of December. A visit to the Bentoel factory to assess their primary capabilities is planned for early January.

III. PROJECT PAGE 1 AND 2 (TAIWAN)

- A. Objective: Develop an American blended export product in a full flavor and lights version for a potentially emerging price/value market segment.
- B. Results: Full flavor and lights prototypes have been developed using two different blends. They were smoked analytically and subjectively in Richmond.
- C. Plans: Let Hong Kong management smoke the prototypes and render a decision.

IV. Project Bella (Hong Kong)

- A. Objective: Develop a lights box line extension of the parent Virginia Slims menthol cigarette.
- B. Results: Mentholated pack foil and cigarettes were produced in Louisville using three levels of menthol (50, 60, and 70 mg per pack).
- C. Plans: Evaluate the prototypes locally, and if found acceptable, send them to Hong Kong to select a candidate to launch.